

### Fiscal Estimate - 2015 Session

☒ Original      ☐ Updated      ☐ Corrected      ☐ Supplemental

<b>LRB Number</b> <b>15-0665/2</b>		<b>Introduction Number</b> <b>AB-0045</b>	
<b>Description</b> Authorizing towns to participate in multijurisdictional tax incremental financing districts			
<b>Fiscal Effect</b>			
<b>State:</b>			
<input type="checkbox"/> No State Fiscal Effect			
<input type="checkbox"/> Indeterminate			
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Increase Existing Revenues	
<input type="checkbox"/> Decrease Existing Appropriations		<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Create New Appropriations		<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget	
		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
		<input type="checkbox"/> Decrease Costs	
<b>Local:</b>			
<input type="checkbox"/> No Local Government Costs			
<input checked="" type="checkbox"/> Indeterminate			
1. <input type="checkbox"/> Increase Costs		3. <input type="checkbox"/> Increase Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs		4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
<b>5. Types of Local Government Units Affected</b>			
<input checked="" type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities			
<input type="checkbox"/> Counties <input type="checkbox"/> Others			
<input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts			
<b>Fund Sources Affected</b>		<b>Affected Ch. 20 Appropriations</b>	
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS			
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	
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		<b>Date</b>	
		2/23/2015	

## Fiscal Estimate Narratives

DOR 2/23/2015

LRB Number	<b>15-0665/2</b>	Introduction Number	<b>AB-0045</b>	Estimate Type	<b>Original</b>
<b>Description</b>					
Authorizing towns to participate in multijurisdictional tax incremental financing districts					

### Assumptions Used in Arriving at Fiscal Estimate

#### CURRENT LAW

As current law allows, many cities and villages use boundary agreements to manage their growth in cooperation with neighboring municipalities. One way to do so is to create a multijurisdictional tax increment financing district (MJTID). Under current law, the same rules and timelines for a tax increment financing district (TID) apply to the creation of a MJTID. In addition to the rules, the MJTID must also adhere to the following: 1) two or more cities or villages must enter into an intergovernmental cooperation agreement; 2) the district's borders must contain territory in all of the cities or villages that are party to the agreement; 3) the district must be contiguous; and 4) at least one parcel in each participating city/village touches at least one parcel in at least one of the other cities.

Under current law, the intergovernmental cooperation agreement must specify a number of things, including: 1) the proposed membership of the Joint Review Board (JRB); 2) a binding procedure to resolve disputes; 3) a procedure to dissolve the MJTID before it would otherwise be required to terminate; 4) a description of the responsibilities of each municipality's clerk, treasurer, and assessor; 5) specification of a lead municipality for purposes of completing and submitting required documents; and 6) procedures that will be followed to amend the project plan or boundaries of the MJTID.

Towns, which have only a limited ability to create a TID under certain circumstances, may not participate in MJTID under current law. A town may enter into a cooperative plan with a city or village only when part or all of the town will be annexed or attached by the city or village. Currently in Wisconsin, there are nine active TIDs located in towns.

#### PROPOSED LAW

Under this bill, any town that is authorized to create a TID within the town may participate in an MJTID. In Wisconsin, no municipalities have ever created an MJTID. It is uncertain as to whether the proposed bill would have any impact on the current situation and would lead to creation of an MJTID in future years.

The bill may incur additional administrative costs to DOR, but the increase can be absorbed within its budgetary resources.

### Long-Range Fiscal Implications